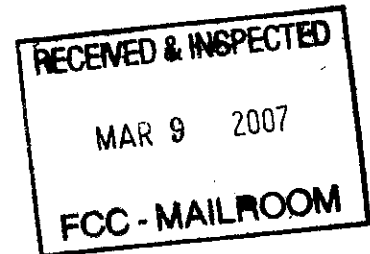


CLIFFDWELLER PRODUCTIONS, LLC

3517 Calle Suenos, SE, Rio Rancho, New Mexico 87124-6713

(505) 242.7266 - Telephone

(505) 892.1926 - Fax



March 1, 2007

Commission's Secretary/Office of the Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Attn: CGB Room 3-B431

Re: #47 C.F. R. § 79.1 (d) and 47 C.F.R. § 79.1 (f)
CliffDweller Productions, LLC dba HomeBuilders' Gallery Television (program title "Living Right")
Petition for EXEMPTION from Closed Captioning Requirement.

To Whom it May Concern:

As owner of CliffDweller Productions, dba HomeBuilders' Gallery Television, please note our request to PETITION for EXEMPTION from CLOSED CAPTIONING requirement for our company. In our opinion, the evidence overwhelmingly shows an exemption be granted as a result of UNDUE BURDEN IMPOSED BY CAPTIONING REQUIREMENTS.

We submit the following evidence of EXEMPTION from CLOSED CAPTIONING requirements:

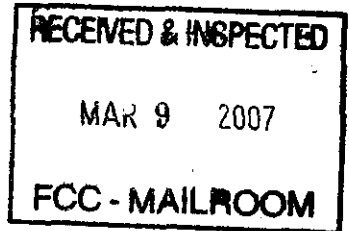
1. 2004 Corporate Balance Sheet and Profit and Loss Statement – Programming provided by program provider with annual gross revenues below three million dollars.
2. Statement of Business Purpose – Describes programming provided by program provider as a local advertisement for local homebuilders and homebuilding related suppliers.
3. Statement of Burden imposed by captioning requirement.

I welcome any inquiries the F.C.C. may have to help our company obtain the exemption we need to continue in business.

Sincerely,

Richard D. Holcomb
Owner

**CERTIFICATION TO TELEVISION STATION
OF PROGRAM COMPLIANCE WITH FCC
CLOSED CAPTIONING REQUIREMENTS**



Client: CliffDweller Productions, LLC, dba HomeBuilders' Gallery

Name of Program: Living Right

Television Station: KASA - Albuquerque/Santa Fe, NM

The undersigned hereby certifies compliance with Federal Communications Commission closed captioning requirements for new programming (check A or B):

☐ A. The program mentioned above is closed captioned in compliance with FCC requirements.

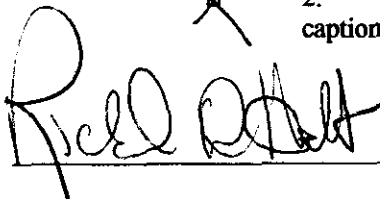
☒ B. The program mentioned above is not closed captioned (check 1 or 2):

☐ 1. The FCC granted a waiver on _____ that remains in effect until _____.

(or)

☒ 2. The client requested a waiver from the FCC closed captioning requirements on 12-28-05

Sign:



Name:

Richard D. Holcomb

Title:

Owner

Date:

March 1, 2007

CLIFFDWELLER PRODUCTIONS, LLC


3517 Calle Suenos, SE, Rio Rancho, New Mexico 87124-6713
(505) 242.7266 - Telephone
(505) 892.1926 - Fax

Statement of Burden Imposed by Captioning Requirement

As owner of this Limited Liability Corporation DBA HomeBuilders' Gallery (Program Title: Living Right), I do declare cause for a petition for exemption from close captioning #47 C.F. R. § 79.1 (d) and 47 C.F.R. § 79.1 (f) on the grounds of the following:

1. Our total revenue in 2006 was under \$3,000,000 as stated by the F.C.C. requirement for burden. In 2006 our gross revenues were \$1,257,140.83 as stated by the enclosed Balance Statement and Profit and Loss Statement for HomeBuilders' Gallery for the FYE December 31, 2006.
2. The nature of our business is LOCAL advertising. The cost to close caption the Living Right Television weekly ½ hour programs in our opinion puts an added cost on our service which will result in lost business.
3. The nature of the material itself being time sensitive to sales pricing and the time it takes to close caption will result in lost business.
4. The fact of this program is being aired on Saturday morning at 11am should warrant exemption.
5. The fact these programs have a short shelf life, are not repeated or scripted, and are on a local basis only in the Albuquerque/Santa Fe DMA where the clients are located should also warrant and exemption.

I swear under oath that the above statements are true.


Richard D. Holcomb, Owner



Closed Captioning Compliance Statement

CliffDweller Productions, LLC, dba HomeBuilders' Gallery, certifies to KASA-TV, Albuquerque/Santa Fe, New Mexico that the broadcast by the Station of our weekly homebuilders television program(s) (HomeBuilders' Gallery and Living Right) is exempt from the closed captioning requirements of the Federal Communications Commission (47 CFR § 79.1) under the § 79.1(d)(8) exemption for "locally produced and distributed non-news programming with no repeat value" because the weekly program, which is co-produced in cooperation with the Station:

- is not news programming;
- is of specific local interest to residents of the Station's service area;
- is not repeated or redistributed; and
- is not scripted so that electronic news room closed captioning would be unavailable.

If there is any change in the above information, we will provide immediate written notice to the Station.

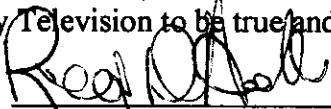
CliffDweller Productions, LLC

[Richard D. Holcomb, Owner]

Dated: 3-1-07

Declaration:

I, Richard D. Holcomb, am Owner of CliffDweller Productions, LLC, dba HomeBuilders' Gallery, and I have reviewed the Petition for Exemption for Closed Captioning Requirements filed on behalf of HomeBuilders' Gallery's program, "Living Right" in this matter, and, upon information and belief, believe the statements regarding our organization and HomeBuilders' Gallery Television to be true and accurate.


Richard D. Holcomb, Owner

3-1-07

Date

Office of the Secretary
Federal Communications Commission
Attention: CGB Room 3-B431
445 12th Street SW
Washington, DC 20554

Petition for Exemption from Closed Captioning Requirements

Introduction

CliffDweller Productions, LLC, dba HomeBuilders' Gallery (Program Title: "Living Right"), for profit company, produces a local weekly television program comprised of interview segments with local builders, suppliers and developers involved in new home construction within the greater Albuquerque/ Santa Fe metropolitan area.

This program, Living Right, provides valuable information to the local community on the types of new homes that are available for purchase as well as information on land development projects and suppliers who offer their goods for inclusion into a new home.

Living Right is a 30-minute program, with different weekly content, that airs at 11am every Saturday morning on KASA Fox2 Television licensed to the Albuquerque/Santa Fe, New Mexico television market. The program is produced by CliffDweller Productions, LLC. The program demographics are primarily people 35+ years of age who are looking for information to help them in the purchase of a new home.

For the reasons set forth below, CliffDweller Productions, LLC hereby requests an undue burden exemption from the closed captioning rules for Living Right Television, pursuant to § 79.1(f) of the Commission's rules.

Nature and Cost of Closed Captions

Allied Vaughn in Wisconsin has indicated they will provide roll-up closed captioning for \$730 per 30 minutes and \$842 per 30 minutes for pop-up captioning (personal communication, account representative Joanne Edmundson, September 20, 2005). Transcription for 30 minutes is \$375 additional. Closed Caption Maker of Maryland charges \$10/minute plus \$50 plus \$2/minute for transcript, or a total of \$410 per 30 minutes. A New York company, Elrom will close caption a 30minute program of \$250 including transcription but will not accept subtitles as a substitute for closed captioning.

Impact on the Operation of the Program Provider

The total cost of producing and airing the Living Right television program in 2006 was in excess of \$85,000, approximately 1/3rd the total revenues received from advertisers. We estimate the cost of closed captioning at approximately \$850 per program or \$1,600 per week for a total of \$83,200 per year.

Our current advertiser would find the additional cost of producing the programs too great to bare the additional costs and as such would force us to cease our business operations. Homebuilders and real estate agents normally allocate a set percentage of the cost of each home toward advertising. This includes all in house brochures and marketing materials, yard signs, MLS listings and other forms of advertising. The increased cost of closed captioning would price our products out of the realm of what builders, suppliers and developers would consider a reasonable cost would seek other, and more reasonably priced, forms of advertising to promote their homes and services. The only means of revenue CliffDweller Productions, LLC has is the

advertising revenue generated from these sponsors. The Company has no other business interests outside of this venture and would therefore be forced to cease business operations.

Financial Resources of the Program Provider

KASA Fox2, while providing production assistance has indicated they are not in a position to take on the responsibility for closed captioning would have to pass that expense onto CliffDweller Productions, LLC, who would have to outsource closed captioning to a outside vendor since the company does not have in-house production facilities or the expertise to take on this additional burden.

Type of Operations of the Program Provider

CliffDweller Productions, LLC, is a sales and marketing company engaged in the for profit business of providing alternative advertising sources for companies involved in the new home building and resale home markets. The company uses purchased television time to broadcast targeted market programs in a non-scripted interview format that gives new home builders, suppliers and developers the opportunities to showcase their homes and offer reasons why homebuyers would want to purchase a home from them. In addition, the same format is used to show and describe the services available from various suppliers who deal with a wide variety of products including, but not limited to, window coverings and treatments, landscaping, mortgage lending, title insurance, in home sound systems, flooring and many more.

The nature of the program gives these companies the opportunity to showcase their products in a format not available anywhere else and in a format of greater length than the standard :30 second commercial.

The unscripted nature of the programs and the fact that new programs are produced each week offers a very viable alternative for showcasing these homes and products and the added burden and cost of closed captioning would eliminate this “lead source” from their marketing plans.

Other factors

Petitioner believes that the local, non-news exemption to the closed captioning rules also applies to Living Right Television.¹ As noted above, the program is produced and distributed locally, and the content is of great interest to the viewing community in helping them select a builder and determine what interior and exterior furnishings would fit their new home and lifestyle. The episodes are not news, they do not have repeat value, and the electronic newsroom technique is not available. Notwithstanding the applicability of the exemption, we have filed this petition in abundance of caution and for the purpose of establishing certainty.

Conclusion

While CliffDweller Productions, LLC appreciates the intent of giving greater programming access to the hearing-impaired public, the closed caption requirement will place an undue financial burden on the company, making future programming impossible and thus depriving the general public of the valuable information provided within this unique and specialized broadcast. As shown by this Petition and its attachments, the Commission should grant a waiver of the closed captioning requirements in this case, because requiring closed captioning would create an undue burden. The costs of captioning would be excessively high

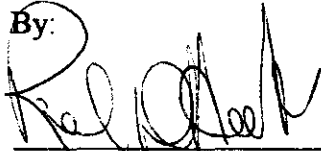
¹ This exemption is self-implementing, and therefore Petitioner notes its applicability without expecting or requesting FCC action on it.

and would have a significant impact on Petitioner's operations. The Petitioner's type of operations and financial resources are different in kind and magnitude from a mainstream programming provider. Because of the significant difficulty and expense of providing closed captions, a waiver under § 79.1(f) is warranted. If more information is needed, please contact me at the address provided below.

Respectfully submitted,

CliffDweller Productions, LLC

By:



Richard D. Holcomb, Owner
3517 Calle Suenos, SE
Rio Rancho, NM 87124-6713
505-242-7266

Dated:

3-1-07

DC: 1984544-1

11:37 AM
03/07/07
Cash Basis

HomeBuilders' Gallery

Profit & Loss

January through December 2006

	Jan - Dec 06
Ordinary Income/Expense	
Income	
Fee Income (Fee Income)	1,257,140.83
Other Income	0.00
Total Income	1,257,140.83
Expense	
Advertising	399,809.37
AGENCY Services	
Creative Services (Charge for Graphic Design)	740.64
Materials	13,218.95
Printing (Our cost to print materials)	12,940.74
Total AGENCY Services	26,900.33
Amortization	1,005.54
Automobile Expense (Automobile Expense)	
Car Rental	611.06
Gasoline (Gasoline - Company car)	4,184.02
Parking/Tolls	184.00
Repairs	6,069.64
Wash (Car Wash)	29.90
Automobile Expense (Automobile Expense) - Other	2,902.50
Total Automobile Expense (Automobile Expense)	13,981.12
Bad Debts (Unpaid Invoices by Customers)	32,388.22
Bank Service Charges (Bank Service Charges)	
Credit Card Fees	1,665.31
Bank Service Charges (Bank Service Charges) - Other	-5,586.43
Total Bank Service Charges (Bank Service Charges)	-3,921.12
Computers	
Repair & Maintenance	637.62
Software	224.04
Total Computers	861.66
Contract Labor (Contract Labor)	1,600.45
Credit Card Over the Limit Fee (Creditcard over the limit fee)	58.00
Depreciation	11,921.86
Dues and Subscriptions (Dues and Subscriptions)	
AOL High Speed Internet	59.80
Dues and Subscriptions (Dues and Subscriptions) - Other	10,332.00
Total Dues and Subscriptions (Dues and Subscriptions)	10,391.80
Gifts	
Charitable Contributions	34,249.73
Gifts - Other	2,283.06
Total Gifts	36,532.79
Insurance (Insurance)	
Auto (PT Cruiser)	2,613.47
Health	
Owners portion of Health Ins (Owners portion of Health Ins)	3,466.54
Health - Other	3,058.54
Total Health	6,525.08
Life	2,139.00
Long Term Care Insurance (LTC) (LTC for Richard & Janine)	1,971.99
Workers Compensation (Workers Compensation Ins)	1,997.00
Insurance (Insurance) - Other	1,620.35
Total Insurance (insurance)	16,866.89
Interest Expense (Interest Expense)	1,570.41
Magazine Design & Production (Contracted Services)	
Distribution (Magazine Distribution)	77,209.43
Printing and Reproduction (Printing and Reproduction)	106,304.32
Magazine Design & Production (Contracted Services) - Other	9,261.75

11:37 AM
03/07/07
Cash Basis

HomeBuilders' Gallery
Profit & Loss
January through December 2006

	Jan - Dec 06
Total Magazine Design & Production (Contracted Services)	192,775.50
Miscellaneous (Miscellaneous)	-9,918.28
Office Furniture	845.00
Office Rent (Barbara Loop office)	17,074.08
Payroll	
401-K Contribution	14,400.00
Bonus Pay	2,090.00
Commission	74,717.10
Hourly	26,430.00
Mileage Reimbursement	136.00
Payroll Expenses	97.23
Payroll Taxes	21,291.90
Salary	125,618.26
Payroll - Other	-3,450.15
Total Payroll	261,330.34
Postage and Delivery (Postage and Delivery)	2,581.94
Professional Development (Professional Development)	569.95
Professional Fees (Professional Fees)	
Accounting (Accountant Fees)	22,398.26
Consultant	2,000.00
Legal Fees (Legal Fees)	2,802.38
Total Professional Fees (Professional Fees)	27,200.62
Promotion or Presentation	5,741.91
Seminars & Training	9,029.88
Supplies (Supplies)	
Marketing (Marketing Supplies)	239.13
Office (Office Supplies)	16,011.77
Supplies (Supplies) - Other	2,237.39
Total Supplies (Supplies)	18,488.29
Taxes (Taxes)	
Federal Unemploy Tax (940EZ) (Annual Federal Unemp Tax FUTA)	127.22
Gross Receipts Tax	440.45
N M DOL (Unemploy ES903A) (Employers 1/4ly Wage Tax)	38.05
Workers Comp	0.00
Workers Comp Fee Return (Workers Compensation Fee)	68.80
Taxes (Taxes) - Other	101.73
Total Taxes (Taxes)	776.25
Telephone (Telephone)	6,308.97
Television	
Laundry (HBG Clothing for TV Show)	1,881.98
Total Television	1,881.98
Travel & Ent (Travel and Entertainment)	
Airfare	6,322.91
Entertainment (Entertainment)	6,749.47
Hotel	382.34
Meals (Meals)	11,650.87
Travel (Travel)	102.78
Travel & Ent (Travel and Entertainment) - Other	10.56
Total Travel & Ent (Travel and Entertainment)	25,218.93
Utilities	1,544.63
Total Expense	1,111,417.31
Net Ordinary Income	145,723.52
Other Income/Expense	
Other Expense	
Gain/Loss on Sale of Assets	4,352.00
Non-Deductible Gifts over \$25	444.19
Penalty	30.00

11:37 AM
03/07/07
Cash Basis

HomeBuilders' Gallery
Profit & Loss
January through December 2006

	Jan - Dec 06
Start Up - Expenses (Start up exp. M Your Mortgage)	-10,000.00
Total Other Expense	-5,173.81
Net Other Income	5,173.81
Net Income	150,897.33

11:35 AM
03/07/07
Cash Basis

HomeBuilders' Gallery
Balance Sheet
As of December 31, 2006

	Dec 31, 06
ASSETS	
Current Assets	
Checking/Savings	
Checking (Compass Bank)	-47,095.39
Total Checking/Savings	-47,095.39
Accounts Receivable	
Accounts Receivable	14,148.02
Total Accounts Receivable	14,148.02
Total Current Assets	-32,947.37
Fixed Assets	
Accumulated Depreciation	-37,819.70
Computer Software (>\$500)	6,357.49
Computers Equipment (>\$500) (Laptop Computer Purchase)	20,743.75
Furniture & Fixtures (>\$500)	9,028.69
Office Equipment (>\$500)	4,005.02
Vehicles	20,550.94
Total Fixed Assets	22,866.19
Other Assets	
Accumulated Amortization	-4,441.14
Organizational Costs	5,027.71
Total Other Assets	586.57
TOTAL ASSETS	-9,494.61
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	-29,695.77
Total Accounts Payable	-29,695.77
Other Current Liabilities	
401-K Pension Plan Payable (401(k) Contributions)	5,000.00
Payroll Liabilities	8,972.27
Sales Tax Payable	5,336.90
Total Other Current Liabilities	19,309.17
Total Current Liabilities	-10,386.60
Long Term Liabilities	
Malott Law Pension Fund (Buy out of Equity position)	26,600.66
Total Long Term Liabilities	26,600.66
Total Liabilities	16,214.06
Equity	
A. Malott Equity (Partner Two Equity)	
Member Capital - Malott	0.67
Total A. Malott Equity (Partner Two Equity)	0.67
R. Holcomb Equity (Partner One Equity)	
Member Capital - Holcomb	-45,055.69
R. Holcomb Draws (R. Holcomb Draws)	-150,268.47
Total R. Holcomb Equity (Partner One Equity)	-195,324.16
Retained Earnings	18,717.49
Net Income	150,897.33
Total Equity	-25,708.67
TOTAL LIABILITIES & EQUITY	-9,494.61